

Senate a report on all the pertinent facts. Whether as a matter of grace any further consideration should be given to this claim is a question that may well be deferred until that time.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, January 3, 1938.

ADJOURNMENT TO WEDNESDAY

Mr. BARKLEY. I move that the Senate adjourn until noon on Wednesday next.

The motion was agreed to; and (at 2 o'clock and 30 minutes p. m.) the Senate adjourned until Wednesday, January 5, 1938, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 3, 1938

This being the day fixed by the twentieth amendment of the Constitution for the annual meeting of the Congress of the United States, the Members of the House of Representatives of the Seventy-fifth Congress met in their Hall, and at 12 o'clock noon were called to order by the Speaker, Hon. WILLIAM B. BANKHEAD, a Representative from the State of Alabama.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following

PRAYER

Oh, Thou art love, knowledge, and power over all; we bring to Thee our thanksgiving and praise. Thou hast disclosed the heart of the Eternal in the glory of the Advent; we bow our heads and hearts in humble gratitude; we wait at Thy footstool with the boldness of divine love. As the Congress has a vital part in shaping our country's destiny and even molding its fate, Almighty God, if ever we needed Thee, it is now. Bring us all into the solemn realization of our duty; reveal Thyself; may we be brave, pure, and true in those decisions that build up good government and make for the moral structure of the Republic. We beseech Thee to give the Congress power to reason rightly and justly for all our fellow citizens. May we stand forth in the fullness of humanity; when life and brotherhood meet, a radiant thing is born. Let the choicest gifts of Thy mercy be upon our President, our Speaker, and the entire membership. Infinite God, hover over this torn world with the word of Thy truth, with the magic of Thy love, and with the virtue of Thy cross, and save it with a peace that knows no war and with honest treaties that know no treason. Through Jesus Christ our Lord. Amen.

CALL OF THE ROLL

The SPEAKER. The Clerk will call the roll to ascertain if there is a quorum present.

The Clerk called the roll, and the following Members answered to their names:

[Roll No. 1]

Aleshire	Bolleau	Clark, Idaho	Cummings
Allen, Del.	Boland, Pa.	Clark, N. C.	Curley
Allen, Ill.	Boren	Clason	Daly
Allen, La.	Boyer	Claypool	Delaney
Allen, Pa.	Boykin	Cluett	Dempsey
Anderson, Mo.	Bradley	Cochran	DeMuth
Andresen, Minn.	Brewster	Coffee, Nebr.	DeRouen
Andrews	Brown	Coffee, Wash.	Dickstein
Arends	Buck	Colden	Dies
Arnold	Buckler, Minn.	Cole, N. Y.	Dingell
Ashbrook	Buckley, N. Y.	Collins	Dirksen
Atkinson	Bulwinkle	Colmer	Disney
Bacon	Burch	Connelly	Ditter
Barden	Burdick	Cooley	Dixon
Barry	Byrne	Cooper	Dondero
Barton	Caldwell	Cox	Dorsey
Beam	Cannon, Mo.	Crawford	Doughton
Beiter	Cannon, Wis.	Creal	Douglas
Bell	Carlson	Crosby	Dowell
Biermann	Cartwright	Crosser	Doxey
Bigelow	Casey, Mass.	Crowe	Drew, Pa.
Binderup	Champion	Crowther	Driver
Bland	Chandler	Culkin	Duncan
Bloom	Church	Cullen	Dunn

Eaton	Jenks, N. H.	Mitchell, Ill.	Schuetz
Eberharter	Johnson, Luther A.	Mitchell, Tenn.	Schulte
Eckert	Johnson, Lyndon	Moser, Pa.	Scott
Edmiston	Johnson, Minn.	Mott	Scrugham
Elcher	Johnson, Okla.	Mouton	Secrest
Engel	Johnson, W. Va.	Murdock, Ariz.	Seger
Englebright	Jones	Murdock, Utah	Shafer, Mich.
Evans	Kee	Nelson	Shanley
Faddis	Kelly, Ill.	Nichols	Shannon
Farley	Kelly, N. Y.	Norton	Sheppard
Fernandez	Kennedy, Md.	O'Brien, Ill.	Short
Fish	Kennedy, N. Y.	O'Brien, Mich.	Simpson
Fitzgerald	Kenney	O'Connell, R. I.	Sirovich
Fitzpatrick	Keogh	O'Connor, Mont.	Smith, Conn.
Flannagan	Kerr	O'Connor, N. Y.	Smith, Va.
Flannery	Kinzer	O'Day	Smith, Wash.
Fleger	Kirwan	O'Leary	Smith, W. Va.
Fletcher	Kitchens	O'Malley	Snell
Forand	Kniffin	O'Neal, Ky.	Snyder, Pa.
Ford, Calif.	Knutson	O'Neill, N. J.	Somers, N. Y.
Ford, Miss.	Kociakowski	O'Toole	South
Frey, Pa.	Kopplemann	Oliver	Sparkman
Fries, Ill.	Kramer	Owen	Spence
Fuller	Kvale	Pace	Stack
Fulmer	Lambertson	Palmisano	Starnes
Gamble, N. Y.	Lambeth	Parsons	Stegall
Gambrill, Md.	Lamneck	Patman	Stefan
Ganham	Lanham	Patrick	Sullivan
Gavagan	Lanzetta	Paterson	Summers, Tex.
Gearhart	Larrabee	Patton	Sutphin
Gehrmann	Lea	Pearson	Swope
Gifford	Leavy	Peterson, Fla.	Taber
Gilchrist	Lemke	Peterson, Ga.	Tarver
Gildea	Lesinski	Pfeifer	Taylor, Colo.
Gingery	Lewis, Colo.	Phillips	Taylor, S. C.
Goldsborough	Lewis, Md.	Pierce	Taylor, Tenn.
Gray, Ind.	Long	Plumley	Terry
Gray, Pa.	Lord	Poage	Thom
Green	Lucas	Polk	Thomas, N. J.
Greenwood	Luce	Powers	Thomas, Tex.
Gregory	Luckey, Nebr.	Quinn	Thompson, Ill.
Griswold	Ludlow	Ramsay	Tinkham
Guyer	Luecke, Mich.	Ramspeck	Tobey
Gwynne	McAndrews	Randolph	Tolan
Haines	McClellan	Rankin	Towey
Halleck	McCormack	Rayburn	Transue
Hamilton	McFarlane	Reece, Tenn.	Treadway
Hancock, N. Y.	McGranery	Reed, Ill.	Umstead
Hancock, N. C.	McGrath	Reed, N. Y.	Vincent, B. M.
Hart	McGroarty	Rees, Kans.	Vinson, Fred M.
Harter	McKeough	Reilly	Vinson, Ga.
Havener	McLaughlin	Rich	Voorhis
Healey	McLean	Richards	Wadsworth
Hendricks	McMillan	Rigney	Wallgren
Hennings	McReynolds	Robertson	Walter
Hildebrandt	McSweeney	Robinson, Utah	Warren
Hill, Wash.	Maas	Robison, Ky.	Weaver
Hobbs	Magnuson	Rockefeller	Wene
Hoffman	Mahon, S. C.	Rogers, Mass.	Wigglesworth
Holmes	Mansfield	Rogers, Okla.	Wilcox
Hook	Mapes	Romjue	Williams
Hope	Martin, Colo.	Rutherford	Withrow
Houston	Martin, Mass.	Ryan	Wolcott
Hunter	Mason	Sabath	Wolfenden
Imhoff	Massingale	Sacks	Wolverton
Izac	Maverick	Sadowski	Woodruff
Jacobsen	May	Sanders	Woodrum
Jarman	Mead	Satterfield	Zimmerman
Jarrett	Meeks	Sauthoff	
Jenckes, Ind.	Merritt	Schaefer, Ill.	
Jenkins, Ohio	Michener	Schneider, Wis.	

The SPEAKER. On this roll 378 Members have answered to their names. A quorum is present.

REPRESENTATIVES-ELECT

The SPEAKER laid before the House the following communication from the Clerk of the House.

The Clerk read as follows:

JANUARY 3, 1938.

The SPEAKER,

House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: Certificates of election in due form of law of the following Representatives-elect to the Seventy-fifth Congress to fill vacancies have been filed in this office, viz:

District and State	Representative-elect	Predecessor
Fifth Oklahoma.....	Gomer Smith.....	Robert P. Hill.
Eleventh Massachusetts.....	Thomas A. Flaherty.....	John P. Higgins.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

Mr. SMITH and Mr. FLAHERTY appeared at the bar of the House and took the oath of office prescribed by law.

ORDER OF BUSINESS

Mr. RAYBURN. Mr. Speaker, I ask unanimous consent that it may be in order at any time during this day, Monday, January 3, 1938, to move to recess the House.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

NOTIFICATION TO THE PRESIDENT

Mr. RAYBURN. Mr. Speaker, I offer the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 387

Resolved, That a committee of three Members be appointed by the Speaker on the part of the House of Representatives to join with a committee on the part of the Senate to notify the President of the United States that a quorum of each House has been assembled and Congress is ready to receive any communication that he may be pleased to make.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

The Chair appointed as a committee to notify the President Mr. RAYBURN, Mr. DOUGHTON, and Mr. SNELL.

NOTIFICATION TO THE SENATE

Mr. DOUGHTON. Mr. Speaker, I offer the following resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Resolution 388

Resolved, That the Clerk of the House inform the Senate that a quorum of the House has appeared and that the House is ready to proceed with business.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed the following resolutions:

Senate Resolution 213

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

Senate Resolution 212

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that the Congress is ready to receive any communication he may be pleased to make.

The message also announced that in compliance with the foregoing resolution the Vice President had appointed as said committee on the part of the Senate Mr. BARKLEY and Mr. McNARY.

HOUR OF MEETING

Mr. O'CONNOR of New York. Mr. Speaker, I offer the following resolution, which I send to the desk and move its adoption.

The Clerk read as follows:

House Resolution 389

Resolved, That the hour of daily meeting be at 12 o'clock meridian.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

REPORT OF COMMITTEE TO NOTIFY THE PRESIDENT

Mr. RAYBURN. Mr. Speaker, your committee, appointed to join a like committee on the part of the Senate, to notify the President of the United States that a quorum of the two Houses is present and ready to receive any communication he may make, has performed that duty. The President asked us to say that he would communicate with the Congress in person at 1 o'clock and 30 minutes p. m. today.

JOINT SESSION OF THE HOUSE AND SENATE

Mr. RAYBURN. Mr. Speaker, I offer the following concurrent resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House Concurrent Resolution 29

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Monday, the 3d day of January, 1938, at 1:30 o'clock p. m., for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

The SPEAKER. The question is on agreeing to the concurrent resolution.

The concurrent resolution was agreed to.

DUKE POWER CASE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to proceed for half a minute to make an announcement.

The SPEAKER. Is there objection?

There was no objection.

Mr. RANKIN. Mr. Speaker, I am glad to announce to all Members of the House who are interested in the power question that the Supreme Court of the United States has just upheld the Government in the Duke Power case. [Applause.]

RECESS

Mr. RAYBURN. Mr. Speaker, I move that the House now stand in recess, subject to the call of the Speaker.

The motion was agreed to; and accordingly (at 12 o'clock and 37 minutes) the House stood in recess.

AFTER RECESS

The recess having expired, the House (at 1 o'clock and 19 minutes p. m.) was called to order by the Speaker.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Frazier, its legislative clerk, announced that the Senate had passed a concurrent resolution of the House of the following title:

H. Con. Res. 29. Concurrent resolution providing for a joint session of Congress for the purpose of receiving the President's message.

JOINT MEETING OF THE SENATE AND HOUSE

At 1 o'clock and 20 minutes p. m., the Doorkeeper, Mr. J. J. Sinnott, announced the Vice President of the United States and the Members of the United States Senate.

The Members of the House rose.

The Senate, preceded by the Vice President and by their Secretary and Sergeant at Arms, entered the Chamber.

The Vice President took the chair at the right of the Speaker, and the Members of the Senate took the seats reserved for them.

The VICE PRESIDENT. On the part of the Senate, the Chair appoints the Senator from Kentucky [Mr. BARKLEY], the Senator from Nevada [Mr. PITTMAN], and the Senator from Oregon [Mr. McNARY] as a committee on the part of the Senate to conduct the President into the Chamber.

The SPEAKER. On behalf of the House, the Chair appoints the gentleman from Texas [Mr. RAYBURN], the gentleman from North Carolina [Mr. DOUGHTON], and the gentleman from New York [Mr. SNELL] as a like committee on the part of the House.

At 1 o'clock and 25 minutes p. m. the Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President entered the Chamber and took the seats reserved for them in front of the Speaker's rostrum.

At 1:30 o'clock p. m. the President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House and stood at the Clerk's desk amidst prolonged applause.

The SPEAKER. Senators and Representatives, I have the distinguished honor of presenting the President of the United States.

ADDRESS OF THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 458)

The PRESIDENT. Mr. Speaker, Mr. President, Members of the Senate and of the House of Representatives, in addressing the Congress on the state of the Union present facts and future hazards demand that I speak clearly and earnestly of the causes which underlie events of profound concern to all.

In spite of the determination of this Nation for peace, it has become clear that acts and policies of nations in other parts of the world have far-reaching effects not only upon their immediate neighbors but also on us.

I am thankful that I can tell you that our Nation is at peace. It has been kept at peace despite provocations which in other days, because of their seriousness, could well have engendered war. The people of the United States and the Government of the United States have shown capacity for restraint and a civilized approach to the purposes of peace, while at the same time we maintain the integrity inherent in the sovereignty of 130,000,000 people, lest we weaken or destroy our influence for peace and jeopardize the sovereignty itself.

It is our traditional policy to live at peace with other nations. More than that, we have been among the leaders in advocating the use of pacific methods of discussion and conciliation in international differences. We have striven for the reduction of military forces.

But in a world of high tension and disorder, in a world where stable civilization is actually threatened, it becomes the responsibility of each nation which strives for peace at home and peace with and among others to be strong enough to assure the observance of those fundamentals of peaceful solution of conflicts which are the only ultimate basis for orderly existence.

Resolute in our determination to respect the rights of others, and to command respect for the rights of ourselves, we must keep ourselves adequately strong in self-defense.

There is a trend in the world away from the observance both of the letter and the spirit of treaties. We propose to observe, as we have in the past, our own treaty obligations; but we cannot be certain of reciprocity on the part of others.

Disregard for treaty obligations seems to have followed the surface trend away from the democratic representative form of government. It would seem, therefore, that world peace through international agreements is most safe in the hands of democratic representative governments—or, in other words, peace is most greatly jeopardized in and by those nations where democracy has been discarded or has never developed.

I have used the words "surface trend," for I still believe that civilized man increasingly insists, and in the long run will insist, on genuine participation in his own government. Our people believe that over the years democracies of the world will survive, and democracy will be restored or established in those nations which today know it not. In that faith lies the future peace of mankind.

At home, conditions call for my equal candor. Events of recent months are new proof that we cannot conduct a National Government after the practice of 1787, or 1837, or 1887, for the obvious reason that human needs and human desires are infinitely greater, infinitely more difficult to meet, than in any previous period in the life of our Republic. Hitherto it has been an acknowledged duty of government to meet these desires and needs; nothing has occurred of late to absolve the Congress, the courts, or the President from that task. It faces us as squarely, as insistently, as in March 1933.

Much of trouble in our own lifetime has sprung from a long period of inaction—from ignoring what fundamentally was happening to us, and from a time-serving unwillingness to face facts as they forced themselves upon us.

Our national life rests on two nearly equal producing forces—agriculture and industry—each employing one-third of our citizens. The other third transports and distributes the products of the first two or performs special services for the whole.

The first great force, agriculture—and with it the production of timber, minerals, and other natural resources—went forward feverishly and thoughtlessly until Nature rebelled,

and we saw deserts encroach, floods destroy, trees disappear, and soil exhausted.

At the same time we have been discovering that vast numbers of our farming population live in a poverty more abject than that of many of the farmers of Europe, whom we are wont to call peasants; that the prices of our products of agriculture are too often dependent on speculation by non-farming groups; and that foreign nations, eager to become self-sustaining or ready to put virgin land under the plow, are no longer buying our surpluses of cotton and wheat and lard and tobacco and fruit as they had before.

Since 1933 we have knowingly faced a choice of three remedies: First, to cut our cost of farm production below that of other nations—an obvious impossibility in many crops today unless we revert to human slavery or its equivalent.

Second, to make the Government the guarantor of farm prices and the underwriter of excess farm production without limit—a course which would bankrupt the strongest government in the world in a decade.

Third, to place the primary responsibility directly on the farmers themselves, under the principle of majority rule, so that they may decide, with full knowledge of the facts of surpluses, scarcities, world markets, and domestic needs, what the planting of each crop should be in order to maintain a reasonably adequate supply which will assure a minimum adequate price under the normal processes of the law of supply and demand.

That means adequacy of supply but not glut. It means adequate reserves against the day of drought. It is shameful misrepresentation to call this a policy of scarcity. It is in truth insurance before the fact instead of Government subsidy after the fact.

Any such plan for the control of excessive surpluses and the speculation they bring has two enemies. There are those well-meaning theorists who harp on the inherent right of every free-born American to do with his land what he wants—to cultivate it well—or badly; to conserve his timber by cutting only the annual increment thereof—or to strip it clean, let fire burn the slash, and erosion complete the ruin; to raise only one crop—and if that crop fails, to look for food and support from his neighbors or his Government.

That, I assert, is not an inherent right of citizenship. For if a man farms his land to the waste of the soil or the trees, he destroys not only his own assets but the Nation's assets. Or if by his methods he makes himself, year after year, a financial hazard of the community and the Government, he becomes not only a social problem but an economic menace. The day has gone by when it could be claimed that Government has no interest in such ill-considered practices and no right through representative methods to stop them.

The other group of enemies is perhaps less well-meaning. It includes those who for partisan purposes oppose each and every practical effort to help the situation, and also those who make money from undue fluctuations in crop prices.

I gladly note that measures which seek to initiate a government program for a balanced agriculture are now in conference between the two Houses of the Congress. In their final consideration I hope for a sound, consistent measure which will keep the cost of its administration within the figure of current Government expenditures in aid of agriculture. The farmers of this Nation know that a balanced output can be put into effect without excessive cost and with the cooperation of the great majority of them.

If this balance can be created by an all-weather farm program, our farm population will soon be assured of relatively constant purchasing power. From this will flow two other practical results: The consuming public will be protected against excessive food and textile prices, and the industries of the Nation and their workers will find a steadier demand for wares sold to the agricultural third of our people.

To raise the purchasing power of the farmer is, however, not enough. It will not stay raised if we do not also raise the purchasing power of that third of the Nation which receives its income from industrial employment. Millions of industrial workers receive pay so low that they have little

buying power. Aside from the undoubted fact that they thereby suffer great human hardship, they are unable to buy adequate food and shelter, to maintain health, or to buy their share of manufactured goods.

We have not only seen minimum-wage and maximum-hour provisions prove their worth economically and socially under Government auspices in 1933, 1934, and 1935, but the people of this country, by an overwhelming vote, are in favor of having the Congress—this Congress—put a floor below which industrial wages shall not fall, and a ceiling beyond which the hours of industrial labor shall not rise.

Here again let us analyze the opposition. A part of it is sincere in believing that an effort thus to raise the purchasing power of lowest paid industrial workers is not the business of the Federal Government. Others give "lip service" to a general objective, but do not like any specific measure that is proposed. In both cases it is worth our while to wonder whether some of these opponents are not at heart opposed to any program for raising the wages of the underpaid or reducing the hours of the overworked.

Another group oppose legislation of this type on the ground that cheap labor will help their locality to acquire industries and outside capital, or to retain industries which today are surviving only because of existing low wages and long hours. It has been my thought that, especially during these past 5 years, this Nation has grown away from local or sectional selfishness and toward national patriotism and unity. I am disappointed by some recent actions and by some recent utterances which sound like the philosophy of half a century ago.

There are many communities in the United States where the average family income is pitifully low. It is in those communities that we find the poorest educational facilities and the worst conditions of health. Why? It is not because they are satisfied to live as they do. It is because those communities have the lowest per capita wealth and income; therefore the lowest ability to pay taxes; and therefore inadequate functioning of local government.

Such communities exist in the East, in the Middle West, in the far West, and in the South. Those who represent such areas in every part of the country do their constituents ill service by blocking efforts to raise their incomes, their property values, and therefore their whole scale of living. In the long run the profits from child labor, low pay, and overwork inure not to the locality or region where they exist but to the absentee owners who have sent their capital into these exploited communities to gather larger profits for themselves. Indeed, new enterprises and new industries which bring permanent wealth will come more readily to those communities which insist on good pay and reasonable hours, for the simple reason that there they will find a greater industrial efficiency and happier workers.

No reasonable person seeks a complete uniformity in wages in every part of the United States; nor does any reasonable person seek an immediate and drastic change from the lowest pay to the highest pay. We are seeking, of course, only legislation to end starvation wages and intolerable hours; more desirable wages are and should continue to be the product of collective bargaining.

Many of those who represent great cities have shown their understanding of the necessity of helping the agricultural third of the Nation. I hope that those who represent constituencies primarily agricultural will not underestimate the importance of extending like aid to the industrial third.

Wage and hour legislation, therefore, is a problem which is definitely before this Congress for action. It is an essential part of economic recovery. It has the support of an overwhelming majority of our people in every walk of life. They have expressed themselves through the ballot box.

Again I revert to the increase of national purchasing power as an underlying necessity of the day. If you increase that purchasing power for the farmers and for the industrial workers—especially for those in both groups who have least of it today—you will increase the purchasing power of the final third of our population—those who transport and distribute the products of farm and factory and

those of the professions who serve all groups. I have tried to make clear to you, and through you to the people of the United States, that this is an urgency which must be met by complete and not by partial action.

If it is met; if the purchasing power of the Nation as a whole—in other words, the total of the Nation's income—can be still further increased, other happy results will flow from such increase.

We have raised the Nation's income from \$38,000,000,000 in the year 1932 to about \$68,000,000,000 in the year 1937. Our goal, our objective, is to raise it to ninety or one hundred billion dollars.

We have heard much about a balanced Budget, and it is interesting to note that many of those who have pleaded for a balanced Budget as the sole need now come to me to plead for additional Government expenditures at the expense of unbalancing the Budget. As the Congress is fully aware, the annual deficit, large for several years, has been declining the last fiscal year and this. The proposed Budget for 1939, which I shall shortly send to the Congress, will exhibit a further decrease in the deficit, though not a balance between income and outgo.

To many who have pleaded with me for an immediate balancing of the Budget by a sharp curtailment or even elimination of Government functions, I have asked the question, "What present expenditures would you reduce or eliminate?" And the invariable answer has been, "That is not my business; I know nothing of the details, but I am sure that it could be done." That is not what you or I would call helpful citizenship.

On only one point do most of them have a suggestion. They think that relief for the unemployed by the giving of work is wasteful, and when I pin them down I discover that at heart they are actually in favor of substituting a dole in place of useful work. To that neither I nor, I am confident, the Senators and Representatives in the Congress will ever consent.

I am as anxious as any banker or industrialist or businessman or investor or economist that the Budget of the United States Government be brought into balance as quickly as possible. But I lay down certain conditions which seem reasonable and which I believe all should accept.

The first condition is that we continue the policy of not permitting any needy American who can and is willing to work to starve because the Federal Government does not provide the work.

The second is that the Congress and the Executive join hands in eliminating or curtailing any Federal activity which can be eliminated or curtailed or even postponed without harming necessary Government functions or the safety of the Nation from a national point of view. The third is to raise the purchasing power of the Nation to the point that the taxes on this purchasing power—or, in other words, on the Nation's income—will be sufficient to meet the necessary expenditures of the National Government.

I have hitherto stated that, in my judgment, the expenditures of the National Government cannot be cut much below \$7,000,000,000 a year without destroying essential functions or letting people starve. That sum can be raised and will be cheerfully provided by the American people, if we can increase the Nation's income to a point well beyond the present level.

This does not mean that as the Nation's income goes up the Federal expenditures should rise in proportion. On the contrary, the Congress and the Executive should use every effort to hold the normal Federal expenditures to approximately the present level, thus making it possible, with an increase in the Nation's income and the resulting increase in tax receipts, not only to balance future Budgets but to reduce the debt.

In line with this policy fall my former recommendations for the reorganization and improvement of the administrative structure of the Government, both for immediate Executive needs and for the planning of future national needs. I renew those recommendations.

In relation to tax changes, three things should be kept in mind. First, the total sum to be derived by the Federal Treasury must not be decreased as a result of any changes in schedules. Second, abuses by individuals or corporations designed to escape taxpaying by using various methods of doing business, corporate and otherwise—abuses which we have sought, with great success, to end—must not be restored. Third, we should rightly change certain provisions where they are proven to work definite hardship, especially on the small businessmen of the Nation. But speculative income should not be favored over earned income.

It is human nature to argue that this or that tax is responsible for every ill. It is human nature on the part of those who pay graduated taxes to attack all taxes based on the principle of ability to pay. These are the same complainants who for a generation blocked the imposition of a graduated income tax. They are the same complainants who would impose the type of flat sales tax which places the burden of government more on those least able to pay and less on those most able to pay.

Our conclusion must be that, while proven hardships should be corrected, they should not be corrected in such a way as to restore abuses already terminated or to shift a greater burden to the less fortunate.

This subject leads naturally into the wider field of the public attitude toward business. The objective of increasing the purchasing power of the farming third, the industrial third, and the service third of our population presupposes the cooperation of what we call capital and labor.

Capital is essential; reasonable earnings on capital are essential; but misuse of the powers of capital or selfish suspension of the employment of capital must be ended, or the capitalistic system will destroy itself through its own abuses.

The overwhelming majority of businessmen and bankers intend to be good citizens. Only a small minority have displayed poor citizenship by engaging in practices which are dishonest or definitely harmful to society. This statement is straightforward and true. No person in any responsible place in the Government of the United States today has ever taken any position contrary to it.

But, unfortunately for the country, when attention is called to, or attack is made on specific misuses of capital, there has been a deliberate purpose on the part of the condemned minority to distort the criticism into an attack on all capital. That is willful deception but it does not long deceive.

If attention is called to, or attack made on, certain wrongful business practices, there are those who are eager to call it "an attack on all business." That, too, is willful deception that will not long deceive.

Let us consider certain facts:

There are practices which most people believe should be ended. They include tax avoidance through corporate and other methods, which I have previously mentioned; excessive capitalization, investment write-ups, and security manipulations; price rigging and collusive bidding, in defiance of the spirit of the antitrust laws by methods which baffle prosecution under the present statutes. They include high-pressure salesmanship, which creates cycles of overproduction within given industries and consequent recessions in production until such time as the surplus is consumed; the use of patent laws to enable larger corporations to maintain high prices and withhold from the public the advantages of the progress of science; unfair competition, which drives the smaller producer out of business locally, regionally, or even on a national scale; intimidation of local or State government to prevent the enactment of laws for the protection of labor by threatening to move elsewhere; the shifting of actual production from one locality or region to another in pursuit of the cheapest wage scale.

The enumeration of these abuses does not mean that business as a whole is guilty of them. Again, it is deception that will not long deceive to tell the country that an attack on these abuses is an attack on business.

Another group of problems affecting business, which cannot be termed "specific abuses," gives us food for grave thought about the future. Generically such problems arise out of the concentration of economic control to the detriment of the body politic—control of other people's money, other people's labor, other people's lives.

In many instances such concentrations cannot be justified on the ground of operating efficiency but have been created for the sake of securities profits, financial control, the suppression of competition, and the ambition for power over others. In some lines of industry a very small numerical group is in such a position of influence that its actions are of necessity followed by the other units operating in the same field.

That such influences operate to control banking and finance is equally true, in spite of the many efforts, through Federal legislation, to take such control out of the hands of a small group. We have but to talk with hundreds of small bankers throughout the United States to realize that, irrespective of local conditions, they are compelled in practice to accept the policies laid down by a small number of the larger banks in the Nation. The work undertaken by Andrew Jackson and Woodrow Wilson is not finished yet.

The ownership of vast properties or the organization of thousands of workers creates a heavy obligation of public service. The power should not be sought or sanctioned unless the responsibility is accepted as well. The man who seeks freedom from such responsibility in the name of individual liberty is either fooling himself or trying to cheat his fellowmen. He wants to eat the fruits of orderly society without paying for them.

As a nation we have rejected any radical revolutionary program. For a permanent correction of grave weaknesses in our economic system we have relied on new applications of old democratic processes. It is not necessary to recount what has been accomplished in preserving the homes and livelihood of millions of workers on farms and in cities, in reconstructing a sound banking and credit system, in reviving trade and industry, in reestablishing security of life and property. All we need today is to look upon the fundamental, sound economic conditions to know that this business recession causes more perplexity than fear on the part of most people and to contrast our prevailing mental attitude with the terror and despair of 5 years ago.

Furthermore, we have a new moral climate in America. That means that we ask business and finance to recognize that fact, to cure such inequalities as they can cure without legislation, but to join their Government in the enactment of legislation where the ending of abuses and the steady functioning of our economic system call for Government assistance. The Nation has no obligation to make America safe for incompetent businessmen or for businessmen who fail to note the trend of the times and continue the use of machinery of economics and practices of finance as outworn as the cotton spindle of 1870.

Government can be expected to cooperate in every way with the business of the Nation provided the component parts of business abandon practices which do not belong to this day and age and adopt price and production policies appropriate to the times.

In regard to the relationship of government to certain processes of business to which I have referred, it seems clear to me that existing laws require reconstruction. I expect, therefore, to address the Congress in a special message on this subject, and I hope to have the help of business in the efforts of government to help business.

I have spoken of labor as another essential in the three great groups of the population in raising the Nation's income. Definite strides in collective bargaining have been made, and the right of labor to organize has been nationally recognized. Nevertheless, in the evolution of the process difficult situations have arisen in localities and among groups. Unfortunate divisions relating to jurisdiction among the workers themselves have retarded production within given industries, and have, therefore, affected related industries.

The construction of homes and other buildings has been hindered in some localities, not only by unnecessarily high prices for materials but also by certain hourly wage scales.

For economic and social reasons, our principal interest for the near future lies along two lines: First, the immediate desirability of increasing the wages of the lowest paid groups in all industry; and second, in thinking in terms of regularizing the work of the individual worker more greatly through the year—in other words, in thinking more in terms of the worker's total pay for a period of a whole year rather than in terms of his remuneration by the hour or by the day.

In the case of labor, as in the case of capital, misrepresentation of the policy of the Government of the United States is deception which will not long deceive. In both cases we seek cooperation. In every case power and responsibility must go hand in hand.

I have spoken of economic causes which throw the Nation's income out of balance; I have spoken of practices and abuses which demand correction through the cooperation of capital and labor with the Government. But no government can help the destinies of people who insist on putting sectional and class-consciousness ahead of general weal. There must be proof that sectional and class interests are prepared more greatly than they are today to be national in outlook.

A government can punish specific acts of spoliation; but no government can conscript cooperation. We have improved some matters by way of remedial legislation. But where in some particulars that legislation has failed we cannot be sure whether it fails because some of its details are unwise or because it is being sabotaged. At any rate, we hold our objectives and our principles to be sound. We will never go back on them.

Government has a final responsibility for the well-being of its citizenship. If private cooperative endeavor fails to provide work for willing hands and relief for the unfortunate, those suffering hardship from no fault of their own have a right to call upon the Government for aid; and a government worthy of its name must make fitting response.

It is the opportunity and the duty of all those who have faith in democratic methods as applied in industry, in agriculture, and in business, as well as in the field of politics, to do their utmost to cooperate with government—without regard to political affiliation, special interests, or economic prejudices—in whatever program may be sanctioned by the chosen representatives of the people.

That presupposes on the part of the representatives of the people, a program, its enactment and its administration.

Not because of the pledges of party programs alone, not because of the clear policies of the past 5 years, but chiefly because of the need of national unity in ending mistakes of the past and meeting the necessities of today, we must carry on.

I do not propose to let the people down.

I am sure the Congress of the United States will not let the people down.

Thereupon, at 2 o'clock and 20 minutes p. m., the President retired from the Hall of the House.

At 2 o'clock and 22 minutes p. m. the Speaker announced that the joint session was dissolved.

Thereupon the Vice President and the Members of the Senate returned to their Chamber.

REFERENCE OF PRESIDENT'S MESSAGE

Mr. RAYBURN. Mr. Speaker, I move that the message of the President be referred to the Committee of the Whole House on the state of the Union.

The motion was agreed to.

Mr. SNELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

HOMER P. SNYDER

Mr. SNELL. Mr. Speaker, it is with very deep regret that I announce to the Members of the House the death of one of our former colleagues, on December 30, 1937, at his home at Little Falls, N. Y., the Honorable Homer P. Snyder.

Mr. Snyder represented the Thirty-third Congressional District of New York in this House for a period of 10 years. He came to the House at the same time I did, in the Sixty-fourth Congress. I was a very close friend of Mr. Snyder. I have kept up that friendship since he retired from Congress, and it certainly caused me great grief when I heard of his sudden death. He was a man who performed outstanding service in the House, was loved and respected by men on both sides of the aisle. I think probably his most outstanding service was in connection with his work as chairman of the Committee on Indian Affairs. There he did a real constructive work.

I know that you are all saddened to hear of his death, and it grieves me to announce that my old friend has crossed the river from which no voyager returns.

LEAVE OF ABSENCE

Mr. BUCK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. BUCK. Mr. Speaker, at the opening of the special session it was my unfortunate duty to announce that my colleague the gentleman from California [Mr. COSTELLO], owing to a severe accident which he received on his way to attend the session, would be unable to be present during the session.

It is now my duty again, Mr. Speaker, to ask that his leave of absence be extended indefinitely on account of the same injuries, from which, I am happy to say, he is slowly recuperating at Walter Reed Hospital. I know that we shall miss his constructive advice during this session until he returns, and that we all wish him as speedy and successful a recovery as possible.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAMILTON. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

MENALCUS LANKFORD

Mr. HAMILTON. Mr. Speaker, it is with painful regret that I announce to the House the death at his home in Norfolk, Va., on Monday, December 27, of the Honorable Menalcus Lankford, who for two terms was an honored Member of this body. Mr. Lankford served in the Seventy-first and Seventy-second Congresses. He was a member of the Naval Affairs Committee. During his incumbency in Congress he served faithfully and well the constituency he represented. There are many Members of the House who will remember well his happy disposition and his congenial companionship.

Mr. Lankford was held in highest esteem by all who knew him. His death occurred suddenly. The Christmas celebration found him happily among his friends at Norfolk. He retired Sunday night after Christmas apparently in the best of health. Announcing early the next morning the need of a physician, his life passed almost before medical aid could be summoned. His funeral, one of the most largely attended in the late history of his adopted city of Norfolk, took place from Freemason Street Baptist Church and burial occurred in Forrest Lawn Cemetery, Norfolk.

Mr. Lankford is survived by his widow, the former Miss Nancy Waddill, of Richmond, daughter of the late Judge Edmund Waddill, Jr., of the United States circuit court of appeals, the latter having been once a Member of this House.

I ask unanimous consent for insertion in the RECORD at this point of three editorial tributes to the memory of Mr. Lankford, one of these being personal and from my own newspaper, the Portsmouth (Va.) Star; another being a tribute by Mr. Douglas Gordon, the cultured editor of the Norfolk Ledger-Dispatch; and the third a tribute by Mr. Louis I. Jaffe, the distinguished editor of the Norfolk Virginian-Pilot.

THE SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

The editorials follow:

[From the Portsmouth (Va.) Star of December 27, 1937]

MENALCUS LANKFORD

The sudden passing at his Norfolk home this morning of Menalcus Lankford, twice Representative in Congress from the Second Congressional District of Virginia, came as a sudden shock to the entire community. In his death has been taken a valuable citizen—one who served unselfishly and to his utmost for the betterment of those among whom he lived.

Kind of heart, lovable of disposition, patient, and always desirous of helping mankind, Mr. Lankford was a man among men whose living made the world better and whose passing leaves a place among men difficult of filling.

Native of Southampton County, Va., Mr. Lankford as a youth came to Norfolk to live, the son of a distinguished father, the late Dr. Livius Lankford. Educated in the schools of Norfolk, he received his bachelor of arts degree from the University of Richmond and his bachelor of laws degree from the University of Virginia, beginning the practice of law at Norfolk in 1906.

In the World War he served as an ensign in the United States Naval Air Service. Since the war his activities in the American Legion have been outstanding.

His influence during his incumbency as a Member of Congress was largely credited with the appointment to the Federal bench of Judge Luther B. Way, the present distinguished senior judge of the United States Court for the Eastern District of Virginia, and by whom, upon his retirement from Congress, Mr. Lankford was invited to the responsible position of referee for the Norfolk-Portsmouth division of the bankruptcy court. This position Mr. Lankford was filling at the time of his death.

Mr. Lankford, as the only southern Republican Member of the Seventy-first and Seventy-second Congresses, was quite close to the Hoover administration and held strong influence at the White House during his congressional incumbency. Of him, President Herbert Hoover frequently gave warm words of praise. Mr. Lankford stood out in Republican convention to the very last for the 1936 renomination of President Hoover for the Presidency.

In the civic life of Norfolk as well as our own civic life the generous heart of "Mack" Lankford will be missed among all people. His passing brings a loss that the entire Tidewater community will feel.

[From the Norfolk (Va.) Ledger-Dispatch of December 28, 1937]

MENALCUS LANKFORD

This entire section of Virginia was shocked by the death of Menalcus Lankford, and hundreds of men and women of this community and of other communities in Virginia and elsewhere are grieved by the death of "Mack" Lankford. For the public man, the man of affairs, the former Representative, the official, was admired and respected; the man himself was loved.

It is not open to question, we think, that he was the most popular man, the man cordially liked by most people, in Norfolk and in the whole of this general community. He should have been, as he was, for, while he never in his life set out to be popular, he never neglected an opportunity to be helpful, kindly, and generous to all whom he found it possible to serve. Whatever a man's station, or lack of station, whatever his unimportance, he was assured of kindly treatment and, if possible, of help from the inexhaustible store of Mack Lankford's interest in humankind.

When he represented the Second Congressional District in the House of Representatives—a Republican Representative from Tidewater Virginia—Democrats who had waged political war with him were as warmly welcomed by him in Washington as were lifelong members of his own party. They were all his constituents, regardless of party or factional affiliations, so much his constituents that no member of the opposing party who called upon him for help or guidance in Washington ever had cause to feel that he was a member of the opposing party. And he was one of the most valuable Representatives this district has ever had.

And none of this was attributable to a desire to be liked, to a purpose to continue in public life, to an inclination to exalt himself. It was all private kindness and public helpfulness, because the spirit of the man impelled him to be kind, and because his conception of duty compelled him to be helpful.

It was not mere good-fellow popularity that distinguished Menalcus Lankford; that alone is a light and inconsiderable thing. He was a delightful companion as he was a well-loved comrade to many a man. But that was only one side of him. He had played football as a youth with the earnestness of the pure amateur, and when it was right and proper in his later life—as it had been when

he took examinations for his degrees—he was as grave and serious and thoughtful as ever a man need be.

No. The liking, the popularity, that enveloped Menalcus Lankford was the warm feeling that flowed from all who knew him to a man who never intentionally hurt another, to a man who did countless things to help others, to a man who smiled rather than frowned, but who went through the whole of his life lending the efforts of a sound mind in a sound body to the advancement of causes to which he gave allegiance—school, college, university, church, city, State, and county.

He will be missed as few men are missed, for he was of the salt of the earth.

[From the Virginian-Pilot of December 28, 1937]

MENALCUS LANKFORD

When the Second District voted, in November 1928, to send Menalcus Lankford to Congress as its first Republican Representative in 30 years, he had already spent some 20 years as a member of the Norfolk bar. It was the personal and professional reputation built up by him in this 20-year period, and not information that was not common property, that enabled the Virginian-Pilot to say on the morning after his election that in Mr. Lankford "the district will have a Representative of the highest integrity and one whose tact, urbanity, and friendliness are certain to make for his popularity."

Because this prediction was realized and because Mr. Lankford made his 4-year service in Congress a stepping stone to a wider participation in communal affairs and to an ever-expanding dedication to the public service, that his untimely death yesterday has brought the community a special sorrow. The city has lost a mind and heart peculiarly dedicated to its welfare. Its citizens have lost a friend and coworker who labored with them in many public causes—religious and charitable, civic and fraternal, commercial, historical, and recreational. It could be said of him as truly as of any of his contemporaries that no one ever went to him with an appeal for a worthy cause without enlisting his sympathy or active help.

The political revolt of 1928's holy war enabled Mr. Lankford to break a 30-year Democratic monopoly that he had twice before attacked without success, but he kept himself aloof from and unspotted by the bigotry that ruled that historic campaign. That was remembered to his credit in a nonpartisan testimonial dinner that followed his congressional victory. It dulled the sharpness of the counterattack that the Democrats launched 2 years later, enabling him to win reelection in his own right at a time when nationally his party was in retreat under the impact of the deepening depression and the prevalent belief of the day that the Hoover administration was, at least in part, responsible for it.

The qualities that distinguished Mr. Lankford in private life earned him the people's respect and confidence as a Member of Congress. An unaffected friendliness was among the most notable of these qualities and something like a religious consecration to duty. The office to which he was elected became to him in a true sense a public trust which he fulfilled with a singleness of purpose and with an attention to detail that the electors of this district will long remember to his credit.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. LUCKEY of Nebraska, for 5 days, on account of official business.

To Mr. CHAPMAN (at the request of Mr. FRED M. VINSON), until further notice, on account of illness in his family.

To Mr. HARTLEY (at the request of Mr. SEGER), for 3 days, on account of illness.

To Mr. RABAUT, for 5 days, on account of illness.

To Mr. DEEN, indefinitely, on account of illness.

To Mr. WELCH, for 3 days, on account of important business.

To Mr. COSTELLO (at the request of Mr. BUCK), indefinitely, on account of illness.

ADJOURNMENT

Mr. RAYBURN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 31 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 4, 1938, at 12 o'clock noon.

COMMITTEE HEARINGS

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of Mr. MARTIN's subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, January 4, 1938. Business to be considered: Hearing on sales-tax bills, H. R. 4722 and H. R. 4214.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, January 11, 1938. Business to be considered: Hearing on S. 69, train-lengths bill.

COMMITTEE ON THE JUDICIARY

The Special Bankruptcy Subcommittee of the Committee on the Judiciary will continue a public hearing on the Frazier-Lemke bill (S. 2215) to amend section 75 of the Bankruptcy Act, in the Judiciary Committee room at 346, House Office Building, on Wednesday, January 5, 1938, at 10 a. m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

904. A letter from the Clerk of the House of Representatives, transmitting a list of reports to be made to Congress by public officers during the Seventy-fifth Congress (H. Doc. No. 463); to the Committee on Accounts and ordered to be printed.

905. A letter from the Attorney General of the United States, transmitting the Rules of Civil Procedure for the District Courts of the United States (H. Doc. No. 460); to the Committee on the Judiciary and ordered to be printed.

906. A letter from the secretary, board of directors, Tennessee Valley Authority, transmitting the fourth annual report of the board of directors of the Tennessee Valley Authority (H. Doc. No. 461); to the Committee on Military Affairs and ordered to be printed, with illustrations.

907. A letter from the Secretary of Agriculture, transmitting the first of the reports dealing with existing conditions with respect to nonuniformity of motor-vehicle traffic laws in effect in the several States and the District of Columbia (H. Doc. No. 462); to the Committee on Roads and ordered to be printed, with illustrations.

908. A letter from the Chairman, Securities and Exchange Commission, transmitting the Third Annual Report of the Securities and Exchange Commission to the Congress; to the Committee on Interstate and Foreign Commerce.

909. A letter from the Chairman, Interstate Commerce Commission, transmitting the Fifty-first Annual Report of the Interstate Commerce Commission to the Congress; to the Committee on Interstate and Foreign Commerce.

910. A letter from the Chairman, Interstate Commerce Commission, transmitting a copy of the final valuation of the properties of the carrier subject to the act, Valuation Docket No. 1202, Petition of the Valvoline Oil Co., in the matter of the valuation of its pipe lines; to the Committee on Interstate and Foreign Commerce.

911. A letter from the Secretary of the Interior, transmitting one copy of legislation passed by the Municipal Council of St. Thomas and St. John and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

912. A letter from the Secretary of War, transmitting the draft of a bill to amend the acts granting increased compensation to civilian employees for the period July 1, 1917, to June 30, 1924, which the War Department presents for the consideration of the Congress with a view to its enactment into law; to the Committee on Expenditures in the Executive Departments.

913. A letter from the Acting Secretary of Interior, transmitting one copy of legislation passed by the Municipal Council of St. Croix at a meeting held November 16, 1937, and approved by the Governor of the Virgin Islands; to the Committee on Insular Affairs.

914. A letter from the Secretary of War, transmitting herewith 866 reports of inspections of disbursements made by officers of the Army, which inspections were made by the Inspector General's Department during the fiscal year ended June 30, 1937; to the Committee on Expenditures in the Executive Departments.

915. A letter from the Postmaster General, transmitting the report of operations of the Postal Savings System for the

fiscal year ended June 30, 1937 (H. Doc. No. 464); to the Committee on the Post Office and Post Roads and ordered to be printed.

916. A letter from the National Munitions Control Board, transmitting the annual report of the National Munitions Control Board (H. Doc. No. 465); to the Committee on Foreign Affairs and ordered to be printed, with illustrations.

917. A letter from the Acting Secretary of the Treasury, transmitting a report showing refunds of internal revenue in excess of \$500 approved by the Bureau of Internal Revenue during the fiscal year ended June 30, 1937; to the Committee on Expenditures in the Executive Departments.

918. A letter from the Attorney General, transmitting a list of suits arising under the act of March 9, 1920 (41 Stat. 525), authorizing suits against the United States in admiralty involving merchant vessels, in which final decrees were entered against the United States, exclusive of cases on appeal; to the Committee on Claims.

919. A letter from the Chairman, Federal Communications Commission, transmitting the Third Annual Report of the Federal Communications Commission covering the fiscal year ended June 30, 1937; to the Committee on Interstate and Foreign Commerce.

920. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 325 items, among the archives and records of the Department of the Treasury which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

921. A letter from the Archivist of the United States, transmitting a list of papers, consisting of two items, among the archives and records of the Department of Justice, which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

922. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 392 items, among the archives and records of the Department of the Navy, which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

923. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 58 items, among the archives and records of the Department of the Interior, which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

924. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 1,495 items, among the archives and records of the Department of Agriculture, which the Department has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

925. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 20 items, from the archives and records of the United States Tariff Commission, which the Commission has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

926. A letter from the Archivist of the United States, transmitting a list of papers, consisting of 249 items, among the archives and records of the Veterans' Administration, which the Administration has recommended should be destroyed or otherwise disposed of; to the Committee on the Disposition of Executive Papers.

927. A letter from the Acting Secretary of the Treasury, transmitting a report of rental collections on account of public buildings and sites, privileges, and ground rent, under the control of the Treasury Department, outside of the District of Columbia, for the fiscal year ended June 30, 1937; to the Committee on Expenditures in the Executive Departments.

928. A letter from the Acting Secretary of the Treasury, transmitting reports from the Department of Commerce and the War Department relative to money received during the

fiscal year ended June 30, 1937, which was not paid into the general fund of the United States Treasury, and the payments, if any, made from such money during such fiscal year; to the Committee on Expenditures in the Executive Departments.

929. A letter from the Acting Secretary of the Treasury, transmitting an itemized report of expenditures made in connection with Pershing Hall in Paris, France; to the Committee on Expenditures in the Executive Departments.

930. A letter from the Attorney General, transmitting a list of suits arising under the Public Vessel Act of March 3, 1925 (43 Stat. 1112), in which final decrees were entered, exclusive of cases on appeal; to the Committee on Claims.

931. A letter from the Acting Secretary of the Treasury, transmitting a report of the receipts and expenditures made during the fiscal year ending June 30, 1937, from the working capital fund established for the operation of the industrial activities at the United States Public Health Service Hospital, Lexington, Ky.; to the Committee on Expenditures in the Executive Departments.

932. A letter from the Attorney General, transmitting the Annual Report of the Department of Justice for the fiscal year ended June 30, 1937; to the Committee on the Judiciary.

933. A letter from the Acting Comptroller General of the United States, transmitting a report of the work of the General Accounting Office for the fiscal year 1937; to the Committee on Expenditures in the Executive Departments.

934. A letter from the Chief Clerk, Court of Claims of the United States, transmitting a statement of all judgments rendered by the Court of Claims for the year ended December 4, 1937, the amount thereof, the parties in whose favor rendered, and a brief synopsis of the nature of the claims; to the Committee on Claims.

935. A letter from the President, Board of Commissioners of the District of Columbia, transmitting the report and recommendations of the committees having had under consideration the act entitled "An act to provide additional revenue for the District of Columbia, and for other purposes" (H. Doc. No. 470); to the Committee on the District of Columbia and ordered to be printed.

936. A letter from the Chairman, United States Tariff Commission, transmitting the Twenty-first Annual Report of the United States Tariff Commission (H. Doc. No. 397); to the Committee on Ways and Means and ordered to be printed.

937. A letter from the Administrator, Veterans' Affairs, transmitting the Annual Report of the Administrator of Veterans' Affairs for the fiscal year ended June 30, 1937 (H. Doc. No. 380); to the Committee on World War Veterans' Legislation and ordered to be printed.

938. A letter from the Electric Home and Farm Authority, transmitting the second annual report covering operations from July 1, 1936, to June 30, 1937, inclusive; to the Committee on Banking and Currency.

939. A letter from the legislative representative, Veterans of Foreign Wars, transmitting a report for the fiscal year ending August 31, 1937, including a full and complete report of receipts and expenditures; to the Committee on Military Affairs.

940. A letter from the Public Printer, United States Government Printing Office, transmitting the report of the Public Printer, covering the work of the Government Printing Office for the fiscal year ended June 30, 1937; to the Committee on Printing.

941. A letter from the Assistant Secretary of Commerce, transmitting part 2 of the annual report of the Commissioner of Lighthouses for the fiscal year ended June 30, 1937; to the Committee on Merchant Marine and Fisheries.

942. A letter from the Acting Secretary of the Navy, transmitting a draft of a proposed bill to amend section 6 of the act approved February 28, 1925, entitled "An act to provide for the creation, organization, administration, and maintenance of a Naval Reserve and a Marine Corps Reserve," so as to authorize the Secretary of the Navy to discharge enlisted men of the Fleet Naval Reserve when sentenced by a court

of competent jurisdiction to imprisonment in a penitentiary; to the Committee on Naval Affairs.

943. A letter from the Secretary of War, transmitting a draft of a bill entitled "A bill to provide for the exchange of land in the Territory of Alaska," which the War Department presents for the consideration of the Congress with a view of its enactment into law; to the Committee on Military Affairs.

944. A letter from the Acting Comptroller General of the United States, transmitting a list of officers of the Government who were on June 30, 1937, delinquent in payment of their accounts to the Government; to the Committee on Expenditures in the Executive Departments.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. VINSON of Georgia: A bill (H. R. 8789) to amend a provision in the Naval Appropriation Act approved July 1, 1902 (32 Stat. 680), relative to payment of commuted rations of enlisted men; to the Committee on Naval Affairs.

Also, a bill (H. R. 8790) to provide for civilian naval training, and for other purposes; to the Committee on Naval Affairs.

Also, a bill (H. R. 8791) to amend the act of May 4, 1898 (30 Stat. 369), so as to authorize the President to appoint 100 acting assistant surgeons for temporary service; to the Committee on Naval Affairs.

Also, a bill (H. R. 8792) to extend privileges of the Navy post exchanges to officials and employees of the United States Court for China; to the Committee on Naval Affairs.

By Mr. RANKIN (by request): A bill (H. R. 8793) to amend certain laws and veterans' regulations affecting World War veterans and their dependents, and for other purposes; to the Committee on World War Veterans' Legislation.

By Mr. BLAND: A bill (H. R. 8794) to provide for terms of the district court at Newport News, Va.; to the Committee on the Judiciary.

By Mr. JONES: A bill (H. R. 8795) to amend the crop-loan law relating to the lien imposed thereunder, and for other purposes; to the Committee on Agriculture.

By Mr. MAAS: A bill (H. R. 8796) to authorize the erection of a domiciliary building and to provide appurtenances thereto at the existing Veterans' Administration facility, Fort Snelling, Minn.; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 8797) to provide flight training for certain retired officers of the Navy and Marine Corps; to the Committee on Naval Affairs.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of Georgia, memorializing the President and the Congress of the United States with reference to their resolution dated December 22, 1937; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOWELL: A bill (H. R. 8798) granting an increase of pension to Eliza J. Rowland; to the Committee on Invalid Pensions.

By Mr. SHEPPARD: A bill (H. R. 8799) to provide for the reinstatement of First Lt. William B. Blaufuss, United States Army, retired, to the active list of the Regular Army as a first lieutenant; to the Committee on Military Affairs.

Also, a bill (H. R. 8800) for the relief of Milton Augustus Roberson; to the Committee on Naval Affairs.

Also, a bill (H. R. 8801) for the relief of George W. German; to the Committee on Naval Affairs.

Also, a bill (H. R. 8802) for the relief of Beulah Bell Nolte and George C. Nolte; to the Committee on Claims.

By Mr. TAYLOR of Tennessee: A bill (H. R. 8803) granting a pension to Rebecca Fields; to the Committee on Invalid Pensions.

Also, a bill (H. R. 8804) granting an increase of pension to Bailey Carson; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3685. By Mr. CURLEY: Petition of the Capital District Typothetae, of Albany, N. Y., urging repeal of the undistributed-profits tax; to the Committee on Ways and Means.

3686. Also, petition of the nonpartisan employers of Troy, N. Y., urging repeal of undistributed-profits tax; to the Committee on Ways and Means.

3687. Also, petition of the United Federal Workers of America, Internal Revenue Local No. 47, endorsing House bill 8428, introduced by Congressman BIGELOW, and Senate bill 3051, introduced by Senator LOGAN, providing for the hearing and disposition of civil-service appeals from discriminatory treatment by superiors in the Federal service; to the Committee on the Civil Service.

3688. By Mr. LAMBERTSON: Petition of Mary Hixson and 20 other members of the Carson Club, Hiawatha, Kans., urging that all American ships and troops be withdrawn from the war zone in China that we might not engage in a foreign war; to the Committee on Military Affairs.

3689. Also, petition of Mrs. Otto Stunz and 12 others, of Hiawatha, Kans., asking that our American citizens be ordered out of China unless they wish to remain at their own risk, our warships be withdrawn from Chinese waters, and that the Ludlow and Capper referendum on war be instituted; to the Committee on Military Affairs.

3690. By Mr. RICH: Petition of the Williamsport (Pa.) Local, No. 1117, Brotherhood of Painters, Decorators, and Paperhangers of America, supporting the Black-Connery labor bill; to the Committee on Labor.

3691. By Mrs. ROGERS of Massachusetts: Petition of the City Council of New Bedford, Mass., favoring House Resolutions 354 and 355, directing the United States Tariff Commission to investigate the differences in the costs of production of domestic articles and of any like or similar foreign articles in cotton cloths; to the Committee on Interstate and Foreign Commerce.

3692. By the SPEAKER: Petition of representatives of business in Green Island, N. Y., relative to the undistributed-profits tax; to the Committee on Ways and Means.

3693. Also, petition of representatives of business establishments in Springfield, Mass., relating to the undistributed-profits tax; to the Committee on Ways and Means.

3694. Also, petition of the Brotherhood of Painters, Decorators, and Paperhangers of America, relating to a Nationwide movement against war; to the Committee on Foreign Affairs.

3695. Also, petition of the Disabled American Veterans of the World War, third district, Department of California, relating to a great injustice done the disabled emergency officers by the unjust insertion of the causative factor into the regulations governing the applications of the so-called Economy Act to the cases of World War emergency officers who are disabled; to the Committee on Military Affairs.

3696. Also, petition of the employees of the Stevens Linen Works and citizens of the towns of Webster and Dudley, relative to the economic welfare of our people; to the Committee on Ways and Means.

3697. Also, petition of the United States Live Stock Sanitary Association, relating to the protection of livestock in the United States; to the Committee on Agriculture.

3698. Also, petition of the Belknap County Commissioners, Laconia, N. H., relative to the proposed General Welfare Act (H. R. 4199); to the Committee on Ways and Means.

3699. Also, petition of the members of the ship's committee of the American steamship *Southern Cross*, relating to American merchant marine; to the Committee on Merchant Marine and Fisheries.

3700. Also, petition of the Council of the City of Cincinnati, relating to the Wagner housing program; to the Committee on Banking and Currency.

3701. Also, petition of the Tuscaloosa County Agricultural Association, Tuscaloosa, Ala., petitioning consideration of their resolution with reference to agricultural legislation; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 4, 1938

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

May we recognize in Thee, Almighty God, a loving father; inspire us with that trust which a child has toward his earthly parent. Do Thou keep very near us; cleanse us from all fear and arm us with that strength which is the shield of true manhood. Without presumption, without haste, and without confusion, may we keep the pathway of patriotic service. Grant that the claims of truth and brotherhood may abound in the presence of the divine Teacher. By distrust we fail; by faith we rise; by the vision of the false we become disobedient; by the vision of noble things we are made upright. Heavenly Father, we pray Thee, make us strong in understanding, of even temper, and full of hope, giving attention to wise manliness of stature and of true, heroic worth before our fellow countrymen. In the name of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

RESIGNATION OF A MEMBER

The SPEAKER laid before the House the following communication:

HON. WILLIAM B. BANKHEAD,

Speaker, House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: I have the honor to inform you that I have this day transmitted to the Governor of the Commonwealth of Pennsylvania my resignation as Member of Congress from the Thirty-third Congressional District of Pennsylvania, said resignation to be effective on January 3, 1938, at 9:30 a. m.

Respectfully yours,

HENRY ELLENBOGEN.

PERMISSION TO ADDRESS THE HOUSE

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that on today, after the disposition of the business on the Speaker's table, I may be permitted to address the House for 30 minutes.

The SPEAKER. Will the gentleman include in his request the disposition of the legislative program for the day?

Mr. PATMAN. Yes, Mr. Speaker.

The SPEAKER. The gentleman from Texas asks unanimous consent that on today, after the disposition of the matters on the Speaker's table and the legislative program for the day, he may be permitted to address the House for 30 minutes. Is there objection?

There was no objection.

EXTENSION OF REMARKS

Mr. SANDERS asked and was given permission to extend his own remarks in the RECORD.

Mr. McREYNOLDS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address I delivered over the radio last Wednesday.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. MERRITT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by the Postmaster General at the dedication of the Auburn, N. Y., post office.

Mr. RICH. Mr. Speaker, reserving the right to object—and I am not going to object—I see we are starting again in this session to have inserted in the RECORD speeches of the Postmaster General and the chairman of the Democratic National Committee. His speeches take up more space in the